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Ruble Budget

As if a Soviet budget is not puzzling enough at best, the latest model is announced in terms of a bigger and better ruble—one worth about 10 old rubles and proudly proclaimed by Moscow as worth more than the American dollar. By mixing these various statistics together, the proposed total outlay in the USSR next year is translated at approximately \$86 billion. If any comparison is meaningful, the United States budget for the fiscal year ending next June 30 stands at about \$80 billion.

One illustration of futility of direct Soviet-American comparisons, for example, stands out in the case of defense expenditures. For 1961, the Soviet is programming approximately \$10.2 billion for defense whereas our own outlays will be in the neighborhood of \$46 billion. But while our own high total covers all military expenditures, including military foreign aid and costs of all armaments production, the Soviet defense item applies only to what may be described roughly as the housekeeping costs of the military establishment. The spending for development and production of modern tools of war, for instance, is dropped without identification into other sections of the budget. On a percentage basis, however, the Russians claim that their identified military spending in 1961 will be down from 12.9 per cent to 11.9 per cent of the total budget.

Significantly, the claim is made, too, that there will be a 15 per cent increase in spending for scientific research—much of it presumably in the fields of rocketry and space exploration. Another program to benefit from increased funds will be that of expansion of heavy industry, an objective toward which the USSR has been making steady and impressive progress. By coincidence, the Soviet disclosure of continued preoccupation with heavy industry development came on the same day that General C. P. Cabell, deputy director of our Central Intelligence Agency, predicted in a speech that the USSR will meet its ambitious industrial goals and that the Communist country unquestionably will continue the growth of its economic and military power at a rate that will be seriously threatening to the free world. Helpful to the Russian effort, General Cabell pointed out, is the lack of any opportunity for domestic pressure for greater production of consumer goods.

In any case, whatever the Russian figures show, or conceal, it is clear that the nation's great drive for power will continue unabated in the year to come.